Executive Summary

This report provides a two-part revenue analysis for the comprehensive plan update process. The first part of the analysis is a preliminary examination of the comparative differences in revenue generation between the five land-use alternatives considered in the Draft Environmental Impact Statement (DEIS). The second part of the analysis is a refined examination of expected revenue from the preferred land use alternative.

The term “perspective” is used rather than “forecast” to clearly indicate that this document is one view of the possible future revenue outlook for Clark County. Depending on the assumptions accepted by the “viewer” there could be many other perspectives derived from the same information base.

Preliminary Analysis

The preliminary analysis examined the major revenue streams for the county road and general funds, including those that are not assumed to vary with changes in land use. Revenue streams that are expected to be compared to present capital costs have been discounted to a present value using a discount rate of 2.5 percent.

This analysis is based on the land use input to the transportation demand forecast model for the five land-use alternatives, namely:

1. The 1994 Plan
2. The Commissioners’ 2001 Approach
3. No Expansion of Existing Urban Areas
4. The Cities’ Perspective
5. The “Discovery Corridor” Strategy.

All of these alternatives have land areas capable of providing for more growth than the “control totals” for population used to size those land areas.

Road Fund Estimates

Estimates of the revenue available for capital projects from the road fund are illustrated in Figure E-1. The values shown have not been adjusted to the planning control totals for population. These estimates could be increased by as much as $32.3 Million for Alternative 5 and as little as $30.9 Million for Alternative 3 depending upon:

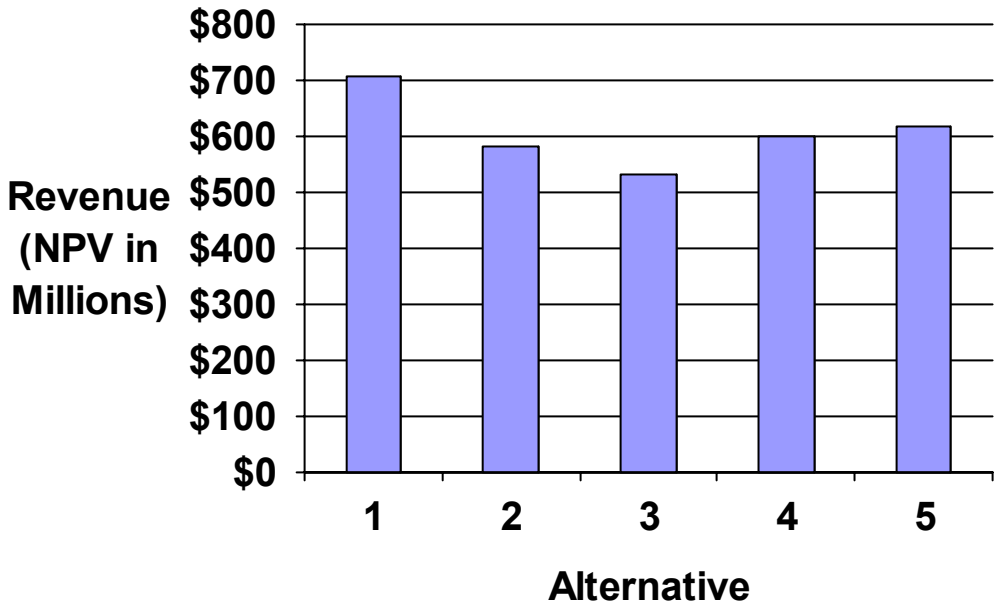
1. Whether or not the real estate excise tax (REET) revenue stream identified for economic development is placed into the road fund directly or channeled into a revolving fund, and
2. Whether or not traffic enforcement diversion continues at its current level or returns to historic levels.

Based on this analysis, the best revenue availability for capital projects results from Alternative 1; Alternative 3 results in the least revenue available for capital projects.

These estimates acknowledge that between $442 and $482 Million (present value) of revenue would be consumed to fund operations, maintenance and other non-capital activities.

If the revenue available for capital projects is adjusted to the planning control totals for population, the relative ranking of the alternatives changes slightly. Alternative 1 would still result in the most available revenue at $600,823,486 while Alternative 3 would result in the least available revenue at $495,300,806 but the Alternatives 5 and 4 switch positions in the rankings (the adjusted value for Alternative 4 is higher than the adjusted value for Alternative 5).

Figure E-1 County Transportation Revenue Available for Capital Improvements by Land Use Alternative

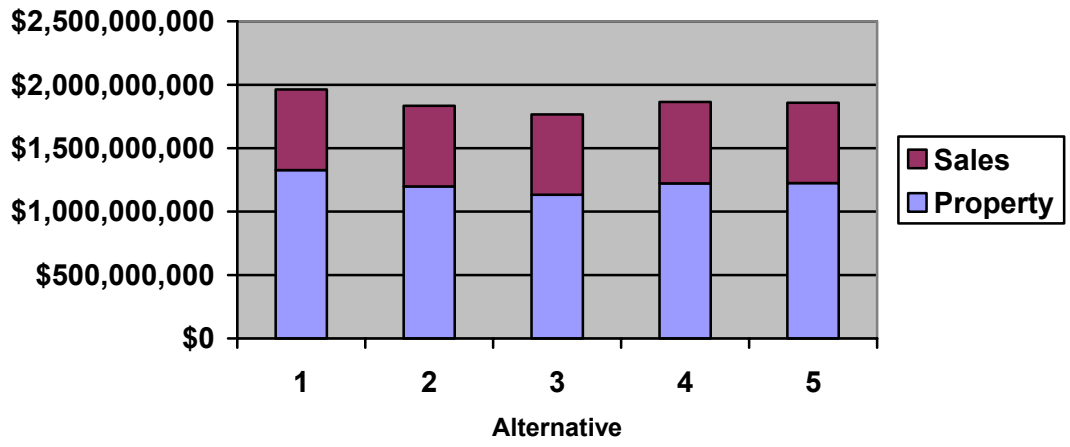


The contribution of the State of Washington to the mobility of Clark County through capital investment is the state highway system is projected to range between $0 and $247.4 Million in 2003 dollars. The historic state mobility investment averages $11.6M per year. The recently enacted nickel increase in state gasoline tax funds mobility improvements that would average $5.5M if those investments remained the only state mobility investments in Clark County for the entire 20-year period.

General Fund

The general fund estimates range between $1,767 and $1,964 Million (in constant dollars) for the lowest (Alternative 3) and highest alternative (Alternative 1). Figure E-2 compares the alternatives.

Figure E-2 General Fund Revenue



These values do not reflect any adjustment to the planning control totals for population. If the general fund receipt estimates are adjusted to the planning control totals for population, Alternative 2 becomes the lowest alternative at $1,595 Million while Alternative 4 becomes the highest at $1,699 Million.

Table E-1 provides a ranking of the alternatives from most to least preferred based solely on either the availability of revenue for transportation capital projects or the estimated per capita general fund revenue.

Table E-1 Ranking of EIS Alternatives

Rank	Alternative Ranked on Revenue Available for Transportation Capital Projects	Alternative Ranked on Per Capita General Fund Revenue
1 – "Best"	1	4
2	4	3
3	5	5
4	2	2
5 – "Worst"	3	1

Note: These rankings are based on information contained in this report and should not be interpreted as a "recommendation" on the preferred alternative. They are provided as a summary indicator of the relative performance of the alternatives as analyzed.

Final Analysis

(The final analysis will follow after the selection of the "preferred alternative.")